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ter how hard it tries. Once the authorizing committees begin bringing in their want-lists, each line item becomes an issue. Vigorously supported by its powerful lobby clientele, each line item, or each committee's programs, becomes unstoppable, or unamendable.

If, on the other hand, the House sits on an overall limit on Federal spending, each committee or clientele lobby will have to persuade the Budget Committee of the priority of its need with that ceiling. The Budget Committee will make the critical decision. The House will have to ratify the Budget Committee decisions.

The procedure is wholly consistent with the budget process, and, more importantly, it is the only way that our wild spending can be controlled.

If we rely on the Budget Committee to control spending on its own, we will get another budget like this year's—a \$75 billion deficit.

The Budget Committee has done good work. It will do better work. It should be encouraged. But it cannot fight spending by itself. It could not do it this year, and it will not be able to do it next year.

So, in fact, the fatuous statements about "learning the job to the Budget Committee," or "preserving the budget process," are, in fact, a cop-out on the spending issue. They are only attempts to use procedural and jurisdictional rationalizations to avoid giving the taxpayers, what the taxpayers want—a spending ceiling. I don't believe the people are being fooled.

The real problem here is that this Congress has willingly accepted from its predecessor Congresses the philosophical legacy of spending for self-preservation. No single committee can make us revoke the legacy. We all have to do it together. If this House is unwilling now, I believe the people will force us to do it soon enough. But let us show a little leadership now by voting down this bill.

Mr. FREY. Mr. Speaker, when I was first elected, the Federal budget was under \$200 billion. Next year it could reach \$420 billion. The national debt will be over \$600 billion. For years the people of this Nation have been bought with their own money. A theory has prevailed that Uncle Sam has unlimited resources; that the American citizen does not really care so long as his or her particular interest is protected. It is no longer "We the people" but "I the people." Take care of yourself or the devil with anyone else.

But with New York City we have reached the end of our rope. In fact, there are only three differences between the Federal Government and New York City. One, we are in worse shape; two, we print money; three, we have no one to help us out. I personally favor an extension of the tax reduction. But to do this without holding down our spending is the same old shell game. The majority party by using the device of suspension of the rules has prevented us from even attempting to limit spending. A vote against the bill is a vote for fiscal sanity and our only chance to do so. We cannot have it both ways and survive as a nation.

Mr. GOLDWATER. Mr. Speaker, there is not one Member of the Congress who opposes giving the American taxpayer

some long overdue relief. There is not one Member of the Congress that opposes extending the Tax Reduction Act. It is equally true that the American public would be grateful for a Christmas present from the Congress in the form of some relief of their tax burdens. All political considerations aside, this Congress owes the American taxpayer some relief because it has been this Congress that has refused so far to control its spending habits by setting a limit on spending.

And that is just the point. Unless the Congress, this Democrat-controlled Congress, gets serious about fiscal responsibility and limits spending, it will not make any difference whether a tax rebate bill passes or not. It will not make any difference because inflation will continue to rage on and the few dollars the taxpayer gets back will not add one iota to his real buying power.

It is fiscally irresponsible to pass a bill authorizing a tax rebate or tax reduction for individuals and not cut Federal spending by an equal amount. To refuse to cut spending by an amount equal to the tax reduction will increase the deficit by an equal amount. It is as simple as that. If you want to be guilty of adding to the Federal deficit, to inflation, to continued economic misery and disruption, then pass a tax reduction without cutting Federal spending by an identical amount.

My constituents and the citizens of California have sent a loud and clear message to Washington. They want deficit spending, inflation, political games, and charades stopped. This bill as it comes before us fails to do that and I cannot support it.

Mr. VANIK. Mr. Speaker, the issue before the Congress today is whether we will extend the 1975 tax cut for individuals through 1976 or whether we permit taxes to increase by 8 percent for most individuals on January 1, 1976, and by as much as 12 percent for the poor and those of low income.

In retrospect, it is debatable whether the 1975 tax cut for individuals and for corporations and business was a wise thing. If the tax cuts and tax rebates of 1975 had not been enacted, the deficit would have been reduced by more than \$22 billion. A \$22 billion reduction in the deficit might have reduced the inflationary impact on the cost of living by 2 or 3 percent—and the effect the cost of living may have been more meaningful to the average American than a tax cut.

However, once the decision was made to move to a tax cut to stimulate the depressed economy, a premature withdrawal from that course before recovery would absolutely "wash out" whatever value there was in the 1975 reduction.

Unfortunately, the Congress gave business and industry a tax cut through 1976—while the individual tax cut was limited to 1975.

If the Congress fails in its effort to continue the 1975 tax cut into 1976, if this legislation is vetoed by President Ford, then it is perfectly proper to label the 1976 individual tax increase as a policy of the President which prevailed

over the wishes of a large majority of the Congress because of his Presidential veto.

Mr. ULLMAN. Mr. Speaker, I have no further requests for that.

Mr. SCHNEEBELI. Mr. Speaker, I have no further requests for time. I yield back further requests for time.

Mr. ULLMAN. Mr. Speaker, I yield myself 2 minutes to conclude the debate.

Mr. Speaker, the gentleman from Pennsylvania suggested that if we do not act now we still can have a tax reduction next year. If we fail to pass this bill there will be a tax increase in January. The withholding schedules will go up. There is no question about it. The taxpayers will have a tax increase if we fail to pass this bill.

Now second, the gentleman from Pennsylvania (Mr. SCHNEEBELI) said that the tax reform bill is pending over on the Senate side, that sometime later in the year we could pass the reduction and it would be retroactive. Let me say, this is similar to what happened for 1975. If we pass a tax reduction in a bill that will probably be consummated next June, that would mean that if we put the cuts into place at existing levels on an annual basis, then, in place of the \$1 billion per month and \$12 billion annual cuts, we would have to put into effect cuts of about \$1.5 billion or possibly \$2 billion per month for the rest of the year.

What we would be doing is going back into a gyrating economy with a tax increase in January, when we should not have a tax increase, and which is directly adverse to every interest in the economy. Then along about July, there would be a major tax reduction.

Now, that is foolhardy economics. It is the wrong way to carry out tax policy.

So, it is not right to say that we can get this tax reduction one way or another. If we are going to get the tax reduction, or from the taxpayer's point of view if we are to prevent a tax increase, we have to act now. There is no other way we are going to prevent taxes from going up at the present time.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the distinguished minority leader.

Mr. RHODES. Would it not be possible for the House and Senate to adopt a resolution empowering the President of the United States not to increase withholding rates, say, until March 15, which would give this House, if the veto comes back and if the veto is sustained, an opportunity to pass a tax reduction bill so that it will not be necessary for this impact which the gentleman suggests, and on which I agree, to be visited upon the American taxpayer?

I cannot help but believe that the House will act if we have the time to do it without acting at the end of the year, as we now are, and it seems to me that it would be a very good idea if we could get such a resolution adopted. I intend to introduce it if the conference report is vetoed and the veto is sustained, so that there will be this net under the American taxpayer so that he would not have to increase his withholding payments the first of the year.

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Mr. ULLMAN. Let me say to the gentleman that it is not a good tax procedure to decrease withholding rates and payments of estimated tax without also decreasing tax liabilities for the same period. Some taxpayers, especially corporations on a fiscal year, would have years ending in this period and their taxes would be underpaid under your system. This bill is the best way to do what the gentleman suggests. The only difference is this bill provides a 6-month extension and also matches with it a comparable change in tax liabilities.

Now, it also seems to me that if the President objects to a 6-month extension he would also object if there was a 3-month extension of withholding. He would raise the expenditure limit as an issue on any bill we act on. Moreover, at the end of 3 months Congress still will not have set its expenditure limit under the budget procedure. Finally, I would be opposed to giving the President complete leeway in setting withholding rates.

This is the choice; this is the final position. The Members of the Congress are going to have to face up to it. There is no other answer down the road somewhere in the future.

Mr. RHODES. What the gentleman is saying, in effect then, is that he is unalterably opposed to any sort of expenditure limitation on this legislation. I think that it is the issue between us, and I think we will have to let the American people decide who is right.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. ULLMAN. Mr. Speaker, I yield myself 1 additional minute.

Let me say I favor an expenditure limitation on the right vehicles. Let me repeat that on January 19, when the President sends up his budget, then I will join with others here through the budget procedure which we have established to try and establish a budget limitation, a spending limitation, that is consistent with the orderly procedures of the House. But, that has nothing to do with what we are facing here today. This is a matter of grave economic emergency in this country, and we must extend this reduction. I hope we can do it overwhelmingly.

The SPEAKER. The time of the gentleman from Oregon has again expired.

Mr. ULLMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker. I ask unanimous consent that I may revise and extend by own remarks, and that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

## AMENDING NATIONAL SECURITY ACT OF 1947 TO INCLUDE THE SECRETARY OF THE TREASURY AS MEMBER OF NATIONAL SECURITY COUNCIL

Mr. CARR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2350) to amend the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2350

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the fourth paragraph of section 101(a) of such Act is amended by redesignating clauses (5), (6), and (7) as clauses (6), (7), and (8), respectively, and by adding after clause (4) a new clause (5) as follows:

"(5) The Secretary of the Treasury;"

(Mr. CARR asked and was given permission to revise and extend his remarks.)

[Mr. CARR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AMENDING THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

Mr. PRICE. Mr. Speaker. I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8631) to amend the Atomic Energy Act of 1954, as amended, to provide for the phaseout of governmental indemnity as a source of funds for the public remuneration in the event of a nuclear incident, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That section 11 of the Atomic Energy Act of 1954, as amended, is amended by amending subsections q. and t. to read as follows:

"q. The term 'nuclear incident' means any occurrence, including an extraordinary nuclear occurrence, within the United States causing, within or outside the United States, bodily injury, sickness, disease, or death, or loss of or damage to property, or loss of use of property, arising out of or resulting from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material: *Provided, however,* That as the term is used in subsection 170 l, it shall include any such occurrence outside the United States: *And provided further,* That as the term is used in subsection 170 d., it shall include any such occurrence outside the United States if such occurrence involves source, special nuclear, or byproduct material owned by, and used by or under contract with, the United States: *And provided further,* That as the term is

used in subsection 170 c., it shall include any such occurrence outside both the United States and any other nation if such occurrence arises out of or results from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material licensed pursuant to chapters 6, 7, 8, and 10 of this Act, which is used in connection with the operation of a licensed stationary production of utilization facility or which moves outside the territorial limits of the United States in transit from one person licensed by the Commission to another person licensed by the Commission.

"t. The term 'person indemnified' means (1) with respect to a nuclear incident occurring within the United States or outside the United States as the term is used in subsection 170 c. and with respect to any nuclear incident in connection with the design, development, construction, operation, repair, maintenance, or use of the nuclear ship *Savannah*, the person with whom an indemnity agreement is executed or who is required to maintain financial protection, and any other person who may be liable for public liability or (2) with respect to any other nuclear incident occurring outside the United States, the person with whom an indemnity agreement is executed and any other person who may be liable for public liability by reason of his activities under any contract with the Commission or any project to which indemnification under the provisions of subsection 170 d. has been extended or under any subcontract, purchase order, or other agreement, of any tier, under any such contract or project."

Sec. 2. Subsection 170 a. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"a. Each license issued under section 83 and 104 and each construction permit issued under section 185 shall, and each license issued under section 53, 63, or 81 may, for the public purposes cited in subsection 1 of the Atomic Energy Act of 1954, as amended, have as a condition of the license a requirement that the licensee have and maintain financial protection of such type and in such amounts as the Commission in the exercise of its licensing and regulatory authority and responsibility shall require in accordance with subsection 170 b. to cover public liability claims. Whenever such financial protection is required, it may be a further condition of the license that the licensee execute and maintain an indemnification agreement in accordance with subsection 170 c. The Commission may require, as a further condition of issuing a license, than an applicant waive any immunity from public liability conferred by Federal or State law."

Sec. 3. Subsection 107 b. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"b. The amount of financial protection required shall be the amount of liability insurance available from private sources, except that the Commission may establish a lesser amount on the basis of criteria set forth in writing, which it may revise from time to time, taking into consideration such factors as the following: (1) the cost and terms of private insurance, (2) the type, size, and location of the licensed activity and other factors pertaining to the hazard, and (3) the nature and purpose of the licensed activity: *Provided,* That for facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the amount of financial protection required shall be the maximum amount available at reasonable cost and on reasonable terms from private sources. Such financial protection may include private insurance, private contractual indemnities, self-insurance, other proof of financial responsibility, or a combination of such measures and shall be sub-